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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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VIA HAND DELIVERY

Magalie Roman Salas, Secretary Federal Communications Commission The Portals 445 Twelfth Street, S.W. Washington, D.C. 20554

Re:

Ex Parte Presentation in CC Docket No. 98-84

McLeodUSA Telecommunications Services, Inc. Petition for Preemption

Dear Ms. Salas:

Pursuant to Sections 1.1206(a) and (b) of the Commission's Rules, 47 C.F.R. § 1.1206(a) and (b), this letter is to provide notice of an *ex parte* presentation in the above-referenced proceeding on Friday, May 21, 1999. This presentation was made by Patrick J. Donovan and Michael R. Romano of Swidler Berlin Shereff Friedman, LLP, to Ann Stevens and Julie Patterson of the Policy and Program Planning Division of the Common Carrier Bureau. The purpose of the meeting was to provide the Commission with further insight into how the withdrawal of US West's Centrex Plus service in Nebraska has unlawfully restricted McLeodUSA's efforts to provide competitive services in that state. We discussed the following points:

- the factual background leading up to the filing of the petition for preemption by McLeodUSA;
- how the Nebraska Public Service Commission's ("PSC") failure to examine the anticompetitive effects of US WEST's withdrawal of Centrex Plus service under federal law has harmed the development of competition in that state;
- how local competition through resale in Nebraska compares to the state of resale competition in other surrounding jurisdictions where Centrex Plus is available for resale;
- why sections 251 and 253 of the Communications Act, as amended, provide the Commission with the authority to address the withdrawal of Centrex in Nebraska; and

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• what steps the Commission might take to address the anticompetitive effects of the withdrawal of Centrex Plus by U S WEST.

McLeodUSA also provided a one-page comparison of the total number of non-residential access lines served by U S WEST and the total number of non-residential access lines served by competitors in Nebraska and in the surrounding jurisdictions. A copy of this document is attached to this filing for inclusion in the public record.

Thank you for your attention to this correspondence. Pursuant to the Commission's rules, an original and one (1) copy of this letter and the relevant attachments are provided. A copy of this filing has also been sent to all parties on the service list in this docket, as required by the Public Notice in this matter. Please date stamp and return the additional copy of this filing for our records.

Sincerely,

Michael R. Romano

Counsel for

McLeodUSA Telecommunications Services, Inc.

Enclosures

cc:

Ann Stevens
Julie Patterson
Service List

RESALE COMPETITION IN NEBRASKA AND NEIGHBORING U S WEST STATES (As Measured by Reports Filed by U S WEST in the Commission's Third Survey of Local Competition)

Nebraska

Non-Residential Lines Served by U S WEST:	154,088
Non-Residential Lines Served by Resellers:	1,727 ¹
Colorado	
Non-Residential Lines Served by U S WEST:	761,433
Non-Residential Lines Served by Resellers:	19,876
<u>Iowa</u>	
Non-Residential Lines Served by U S WEST:	237,732
Non-Residential Lines Served by Resellers:	86,800
Minnesota	
Non-Residential Lines Served by U S WEST:	655,349
Non-Residential Lines Served by Resellers:	65,161
North Dakota	
Non-Residential Lines Served by U S WEST:	61,948
Non-Residential Lines Served by Resellers:	11,685
South Dakota	
Non-Residential Lines Served by U S WEST:	74,960
Non-Residential Lines Served by Resellers:	13,253
Wyoming	
Non-Residential Lines Served by U S WEST:	72,497
Non-Residential Lines Served by Resellers:	4,581

Although McLeodUSA serves both residential and business customers through a resold Centrex Plus platform, U S WEST has apparently categorized all Centrex lines on its Local Competition Report as "Non-residential." The total number of resold lines provided here represents both lines provided under a Total Service Resale arrangement and those provided under other resale arrangements, including Centrex.

CERTIFICATE OF SERVICE

I, Michael R. Romano, hereby certify that a copy of the foregoing *Ex Parte* Presentation in CC Docket No. 98-84, McLeodUSA Telecommunications Services, Inc. Petition for Preemption was sent to each of the following parties by hand delivery* and by postage prepaid, U.S. Mail on this 24th day of May, 1999.

SEE ATTACHED SERVICE LIST

Michael R. Romano

SERVICE LIST FOR DOCKET NO. 98-84

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Honorable Lowell C. Johnson Chairman Nebraska Public Service Commission 300 The Atrium 1200 N Street Lincoln NE 68509

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